
WEDNESDAY 24 JUNE 2020

MEETING HELD VIRTUALLY VIA MICROSOFT TEAMS

MEETING NOTES

PRESENT:

Chair: Melanie Laws

For Customer Council for Water: Graham Dale and Simon Roberson

For Environment Agency: Melissa Lockwood and Roger Martin

For the Environment theme: Richard Powell (Vice Chair and Independent Member) and Anna Martin

For the Communities theme: Mary Coyle (Independent)

For the Customer theme: Lesley Crisp

For Economic Impact theme: Steve Grebby (CCW) and Sarah Glendinning

For National Farmers Union: James Copeland (Vice Chair)

Water Forum Independent Author: Sarah Young

For NWL Board: Margaret Fay (Independent Non-executive Director)

For the Company: Heidi Mottram, Louise Hunter, Ceri Jones, Eliane Algaard, Jim Strange, Neil Rutherford, Sarah Pinkerton, Ross Smith and Elaine Erskine

Ros Shedden and Jude Huffee (Water Forum Secretariat)

NOTES AND ACTIONS

1. Welcome, apologies and aims of the meeting

Melanie Laws (MJL) and members welcomed Ross Smith to the meeting as new company Partnership Manager with responsibility for Water Forum.

MJL paid tribute to Ros Shedden and passed on members sincere thanks for the sterling work she had done over the years in establishing and developing the group and wished her all the very best for whatever direction life takes.

Apologies had been received from Bernard Crump, Iain Dunnett, Hannah Campbell, Mark Reed, Stephen Rothera, Caroline Taylor and John Torlesse.

MJL said the meeting would cover the annual performance for the year and AMP with the aim to comment and prepare forum statements for inclusion in the APR and Our Contribution documents.

Members noted that they had no interests to declare.

2. Notes and actions from the last meeting

Members agreed the 29 November 2019 meeting notes with no corrections.

3. Forum programme

MJL acknowledged the input James Copeland (JC) and Richard Powell (RP) as Vice Chairs had made on the recent discussions with the CMA Panel and the work in producing the Forum response.

Members agreed that the membership should remain the same for the main Forum until the CMA process was finalised and the Company Final Determination was awarded. It was also agreed that the sub-groups proposal should move forward and start formally populating from across the membership and where needed additional expertise brought in as required. It was agreed that sub-group meetings should be set up and move into a monitoring and challenge role on Company activity in the areas identified.

Members noted additional work was required to formalise future plans for the Forum, including assessing Ofwat's challenge that CCGs are not independent enough and the changes taking place at CCW. MJL felt that a CCG Chairs meeting was needed to discuss the first point and look at the future of CCGs.

Members noted that inclusivity and vulnerable customers needed to be a key priority for the Forum and all work needed to remain on Forum radar, including the impact COVID-19 has had on customers especially around affordability. (Action: Company)

4. Chair's update

MJL updated Members following the CMA virtual visit on 16 June which MJL took part in.

Members' deliberation

Members had been supplied with the following meeting papers:

- Our Contribution paper and draft report
- Annual Performance paper and draft report
- CEO update
- Regulatory update

Members deliberated on the papers they had received and prepared for discussion with the Company. Members noted that the papers were useful although it would be helpful to receive the draft reports sooner.

Melissa Lockwood (ML) advised Members that the Environment Agency (EA) has issued its draft Environmental Performance Assessment figures for 2019 with final details being published end of September. She briefed the Group on the position as there were some clear issues.

Members were keen to understand what plans were being put in place to tackle and monitor compliance issues alongside any other areas of performance the Company believes are areas of concern for AMP7. (Action: Company)

5. The Company joined the meeting

MJL welcomed the Company.

Competitions and Markets Authority

Members noted the CMA process was progressing. The CMA have a particular defined process with hearings being arranged at CMA discretion. Hearings for appellants and Ofwat, and any other areas the CMA wants to explore take place during July and August. Information requests were received as the CMA work through the evidence and information provided by all parties. CMA were hoping to have a draft review in September with a Final Determination expected in December. This is key to companies being able to make any changes, if needed, to customer bills for 2021/22. The Company advised it would provide members with details of the CMA process and timeline. (Action: Company)

COVID-19 update

Members recognised the work that had been done by the Company to follow the strict guidelines and protect employees and customers while maintaining the services it provides.

Members noted that:

- all maintenance work and repairs continued as usual apart from any that involved entering a customer's home – only emergency visits were carried out in customers' homes with the relevant PPE in use;
- investment scheme sites continued with all measures put in place;
- meter reading was suspended at the start of lockdown; it has recently restarted initially with external readings taking place and now internal through a pre-planned timeslot and with customer's approval;
- investment in CC&B has paid off and Company were able to move Customer Team to homeworking very easily and smoothly;
- customer financial issues to date - customer financial issues had not seemed to be as severe as anticipated, but the expectation was that these may increase as furlough scheme is wound down;
- when lockdown restrictions started to be lifted, Company leisure sites saw an increase in water safety issues with people using the reservoirs who did not know the dangers. Members advised that Natural England was currently reviewing its safety for the countryside messages including water, and there was an opportunity to work together (Action: Company and Natural England);and
- there had been an increase in water usage during the extremely warm weather. A national group from the water industry, WaterWise and EA had been set up to look at creating national water efficiency messaging with the use of more direct language. Members were keen to see further information and results from the campaign. (Action: Company)

6. Our Contribution

Sarah Pinkerton (SP) gave the context of the fourth annual publication of the Our Contribution report and took the paper provided as read.

Members challenged - noting:

- the publication required more focus on the key points customers have said they want from the Company and on the actions;
- performance tables need to be clearer, including a narrative to reflect the variance in figures from last year's performance and how it relates; and

- good opportunity to promote key messages such as in net zero carbon work and how customers can relate to the figures.

The Company responded – noting:

- it needed to put customers at the forefront of the document similar to that in the APR;
- it would explain the variance in the performance of the two years; and
- it would review how the Company can use messaging to show direct benefits to customers in order to better explain the impact of changes.

Members noted big improvements in two specific areas and were keen to understand:

Loss time accidents – Company explained the two interventions that have been key to the improvements:

- 60 second checks – risk assessments have been done on all pieces of work carried out across the Company and when each individual goes to do the work they also carry out their own 60 second check to make sure they are OK to carry out the role. The Coruson App used to log these reports has helped make this happen with up to 30,000 checks taking place since this was introduced.
- Personal Protective Equipment (PPE) changes – Company approach to PPE has changed: a minimum of five points of PPE must be worn on all activities, unless someone can prove why this should not be the case. The introduction of this approach has reduced the impact of accidents.

Repeat Sewer Flooding – The Company is now showing good results for this year with work taking place to reduce the misuse of sewers through its behavioural change campaign, Bin the Wipe.

7. Annual Performance Report (APR)

Members had been supplied with a performance paper and draft copy of the Annual Performance Report (APR) prior to the meeting and they were taken as read.

Members noted:

- that customer voice was evident across the document and the Chair and CEO sections were very well thought out;
- with regards to the old SIM measure this had now ended with Company finishing fifth out of 17 on C-MeX and first for D-MeX;
- leakage targets were met with interruptions to supply improving on last year's poor performance;
- there was a strong performance on all flooding measures, with big improvements on blockages following campaign work to change customer behaviours on non-flushables;
- a poor bathing water rating was recorded for one beach – Cullercoats. The Company is currently investigating with partner agencies. Members to be kept aware with a suggestion to review work at Staithes which saw a similar sort of dynamics (Action: Company);
- poor results for sewage treatment works discharge – this is a complex set of results due to the different reporting requirements set by Ofwat compared to the EA. In APR two discharges will be reported with no penalty received;
- overall for AMP5 the Company will receive a reward of £10m;
- financial performance shows it has been overall a strong year with a higher revenue from price control and lower costs. COVID-19 has not impacted on financial position but expect to see impact in next year's figures; and

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- regarding TOTEX across AMP Company has outperformed by 6% - partly due to a different approach with wastewater showing a strong performance, although water not as strong due to abstraction costs, volatile weather and other issues.

The Company responded – noting:

- in relation to interruptions to supply Company had improved on last year's drop in performance. Changes being implemented include:
 - responding to one customer report of no water/low pressure instead of waiting for several;
 - using overland temporary pipes to re-route water to keep customers' supplies on while repair is being carried out; and
 - looking at innovative ideas on how to manage water pressure through data analytics.
- taste and odour results have improved on last year with more proactive work with customers to explain when changes may occur due to water blending from across the network, including text messages when customers might notice a change in their water and through promoting tap water. A number of sprints have taken place to understand how blending works.

Following lunch members worked on their APR and Our Contribution statements – see documents here; following this session the meeting concluded and members then resumed in camera where their meeting review took place – a summary of this review is in Appendix 1.